## OKLAHOMA ABSTRACTORS BOARD MINUTES OF REGULAR MEETING July 20, 2021

- 1. A regular meeting of the Oklahoma Abstractors Board (OAB) was called to order by Chairperson Randy Coffman at 10:00 a.m., at the OLERS Conference Room, 421 NW 13<sup>th</sup> Street, Suite 100, Oklahoma City, Oklahoma.
- 2. J Thomas called the roll. Attending were: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates, Randy Coffman, Rex Koller and Scott Ward.
- 3. The Minutes of the Regular Meeting of the OAB, conducted on June 15, 2021, were reviewed. A motion was made by Mr. Ward to approve the minutes as presented. The motion was seconded by Mr. Mapes. Motion carried.

  Yeas: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates, Randy Coffman, Rex Koller and Scott Ward. Nos: None.
- 4. <u>Chairperson's Report-Randy Coffman:</u> Mr. Coffman reported that he would be attending the OLTA's Summer Meeting and giving a report for the board.
- 5. <u>Administrator's Report (Board Report):</u> Ms. Smith reported that she had spent some time orienting the new board members. She also went to meet with the Government Technology and Applications Review Board (GTARB) to seek approval for the fees related to online licensing. The fees were approved and are \$2.40 per license for the platform costs and \$2 + 2.25% per license for merchant fees.

## 6. Committee Reports.

- a.) **Budget and Finance Jeff Mapes:** Mr. Mapes gave an update on the budget reporting that the annual budget is \$233,810.00 with encumbrances of \$22,957.81 which gives us a total Year-To-Date Encumbrances and Expenses of \$243,845.43 and a variance of \$41,380.85. The revenue for the month of June was \$13,910.00 and expenses were \$19,846.96 which leaves us with an ending cash balance of \$818,908.35. After review and discussion, a motion was made by Mr. Mapes to approve the report as presented. Second by Mr. Thomas. Motion carried. Yeas: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates,
  - Randy Coffman, Rex Koller and Scott Ward. Nos: None.
- b.) Rules and Regulations Mark Coffman: Mr. Coffman gave no report.
- c.) Licensing and Testing-Ken McDowell: Mr. McDowell reported that since the last meeting, 14 people had taken the test and 10 had passed. The next test will be on the 16<sup>th</sup> at the testing center.
- d.) **Inspections-Katherine Smith:** Ms. Smith reported that there had been seven inspections since the last board meeting. Five of the seven had no issues. Two

companies had some issues with delayed orders. The recommendations from the Enforcement Committee are noted in the packet. Ms. Smith asked for a motion to approve the inspection reports as presented and acceptance of the recommendations from the Enforcement Committee. A motion was made by Mr. Ward to approve the inspection reports as presented and accept the recommendations of the Enforcement Committee. Second by Ms. Ringo. Motion carried.

Yeas: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates, Randy Coffman, Rex Koller and Scott Ward. Nos: None.

In addition, some consent orders were received back related to previous inspection findings and Ms. Smith asked for the Board's acceptance of those consent orders which would authorize Mr. Coffman to sign off on them and close the matter. A motion was made by Mr. Ward to approve and receive the consent orders and close the matter. Second by Ms. McDowell. Motion carried.

Yeas: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates, Randy Coffman, Rex Koller and Scott Ward. Nos: None.

## e.) Enforcement Committee Reports-Scott Ward:

**Applications for Licenses**: Presented to the Board for approval was a list of applicants for abstract licenses or renewals, which are set out in the attachments hereto. A motion was made by Mr. Ward on behalf of the Enforcement Committee to approve all of the licenses presented, subject to administrative review and to make sure all compliance issues were met, and appropriate fees paid. Second by Mr. Mapes. Motion passed.

Yeas: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates, Randy Coffman, Rex Koller and Scott Ward. Nos: None.

Renewal of Certificate of Authority (With Fee Changes): Presented to the Board for approval were applications for renewal of Certificate of Authority with changes to the fees on their rate sheet by American Eagle Title Group dba Lincoln County Title Co. (Lincoln). A motion was made by Mr. Ward on behalf of the Enforcement Committee to approve the applications. Second by Mr. McDowell. Motion passed.

Yeas: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates, Randy Coffman, Rex Koller and Scott Ward. Nos: None.

**Rate Change Only:** Presented to the Board for approval were rate sheets with changes submitted under special filing for Logan County Abstract and Sulphur Abstract and Title (Murray). A motion was made by Mr. Ward on behalf of the Enforcement Committee to approve the revised rate sheets. Second by Mr. Mapes. Motion passed.

Yeas: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates, Randy Coffman, Rex Koller and Scott Ward. Nos: None.

**Transfer of Ownership:** Presented to the Board for approval was an application for the Transfer of ownership of Lacey-Pioneer Abstract in Caddo County to Smith Brothers Abstract & Title. A motion was made by Mr. Ward on behalf of the

Enforcement Committee to approve the Transfer of Ownership. Second by Mr. Thomas. Motion passed.

Yeas: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates, Randy Coffman, Rex Koller and Scott Ward. Nos: None.

**New Permit to Build an Abstract Plant:** Presented to the Board for approval was an application for a New Permit to Build an Abstract Plant by Oklahoma Digital Abstract, LLC dba American Eagle Abstract Kingfisher County. Ms. Smith reported that no comments were received during the comment period and the floor was opened for comments.

Ms. Ringo asked how many plants currently existed in the county. Ms. Smith reported that there was currently one Certificate of Authority holder in the county. She added, for the benefit of new board members that the number of existing certificates in a county was not a consideration in the review process for new permit applications. As long as the application was in order and the applicant was not disqualified from holding a COA, such as for certain felony convictions, the application had to be approved. A motion was made by Mr. Ward on behalf of the Enforcement Committee to approve the application. Second by Ms. Yates. Motion passed.

Yeas: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates, Randy Coffman, Rex Koller and Scott Ward. Nos: None.

## **Complaints:**

**OAB-2021-W98:** Presented to the Board for review was Complaint OAB-2021-W98 which asserts that there were errors in the abstract, but in reality, the content of the abstract was correct and the Complainant's issues were more related to the processing of a deed which is outside the scope of this agency's authority.

Recommendation from Enforcement is that since the scope of the complaint is outside the Board's authority that the complaint be closed. Ms. Smith asked for a motion to accept the Enforcement Committee's recommendation and close the complaint. A motion was made by Mr. Mapes to accept the Enforcement Committee's recommendation and close the complaint. Second by Mr. Koller. Motion passed. Yeas: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates, Randy Coffman, Rex Koller and Scott Ward. Nos: None.

**OAB-2021-W99:** Presented to the Board for review was Complaint OAB-2021-W99 which asserts that there was an unnecessary delay of five abstracts.

Complaint sent a list of five (5) legal descriptions which they claim were delayed in processing.

Legals #1 & #2 – Unplatted completes. Complainant states the order was placed on 4/30, but email documentation from the Respondent shows the OK to build complete was received on 5/27/21. Guidelines would set a due date of 6/25/21. The date on the

certificate is 6/21/21 so it was completed under the time allowed by the guidelines. NO violation.

Legal #3 – Unplatted extension. Complainant states it was ordered on 4/30, but documentation from Respondent shows an order form dated 5/21/21. Guidelines would make it due 6/16/21 which is the date on the certificate, so it was completed within guidelines. NO violation.

Legals #4 & 5 – Unplatted completes. Complainant states order was placed on 5/24, but email documentation from the Respondent shows the order was placed 4/16/21. Guidelines would make it due 5/14/21. Certificate is dated 6/8/21 which is sixteen (16) days outside of guidelines.

From the Respondent as justification for the delay: Each tract made up of 7 descriptions with one including a less out and they request that those be taken into consideration.

Recommendation from Enforcement is that because this location has had ongoing issues with the timely completion of orders, the Enforcement Committee is recommending a fine of \$500. Ms. Smith asked for a motion to accept the Enforcement Committee's recommendation.

Ms. Ringo asked what their excuse was for the delay. Ms. Smith stated that they said they were busy and the notation about it being a difficult abstract.

Ms. Yates asked about the penalty amount and weather previous complaints had been received. Ms. Smith responded that this is a location that has had ongoing issues and although there have been no formal complaints, there had been enough calls that a previous board member went out and spent quite a bit of time with them counseling them about processes and such. They got caught up, but as appears to be typical for this location, within a short time they were apparently behind again.

A motion was made by Mr. Ward to accept the Enforcement Committee's recommendation and close the investigation. Second by Ms. Ringo. Motion passed. Yeas: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates, Randy Coffman, Rex Koller and Scott Ward. Nos: None.

- 7. New Business: Mr. Coffman asked for new business. Ms. Smith said that she was starting to get a lot of calls about copying abstracts and their validity. She has been telling people that if it is a printed version of an electronic abstract that someone receives from the company that produced it, it is valid. If it is a printed version of a previously paper abstract that's not coming from the company that produced it, that is not valid. She wanted to verify that her understanding was indeed what the Board though and that she was being correct in her information.
  - Ms. Ringo said that she didn't think they should be copied.

Ms. Smith asked if there needed to be a fee made available on the rate sheet.

Ms. Smith pointed out that according to previous discussions, an electronic abstract and paper abstract are both completely valid and legal. If a company produced an electronic abstract and the customer requests a paper abstract, the company is going to hit print and that printed version of an electronic abstract it just as valid as it was in its electronic form. However, if someone takes a printed electronic abstract and puts it through a copier, there is no way to tell the difference between the two.

Mr. Holleman asked if they were certifying the printout/copy. Ms. Smith said no.

There were questions about whether the printout would be stamped, or an additional certification page added and Ms. Smith stated that it was not a requirement that was included in the law or agreed upon by the previous board.

There were questions related to the use of the printed electronic abstracts. Ms. Smith said there were a variety of reasons.

Ms. Ringo said that they could use their multiple abstract pricing if someone wanted multiple copies. But Ms. Smith pointed out that section is allocated to new subdivisions only.

Ms. Schuble interjected that for further discussion, this item needed to be included on the agenda, so discussion was terminated.

8. Report Legal Counsel-Marie Schuble: Ms. Schuble reported that she worked with the Enforcement Committee and that she had been involved in the access issue with the Canadian County Court Clerk and their refusal of access for permit holders. She said that in her research that there isn't anything we can do to enforce our law on the Clerk's offices.

Mr. Ward suggested reaching out to other organizations, such as the realtors, to help leverage support to gain the needed access.

She also said that she would be sending information to the new board members about the Open Meetings Act and ethics related to board members.

- 9. <u>Visitor's Comments:</u> Mr. Coffman asked for any visitor comments. Mitzi Combs said she appreciated Christina Wooten's report at the Annual Convention for OLTA and that she was grateful that Mr. Coffman coming to the Summer Meeting to do an update.
- 10. <u>Announcement of next meeting:</u> Tuesday, July 20, 2021, at 10:00 a.m., 421 NW 13<sup>th</sup> Street, Suite 100 (OLERS) Conference Room, Oklahoma City, Oklahoma.
- 11. <u>Adjournment:</u> Mr. Coffman asked for a motion to adjourn the meeting. Motion was made by Mr. McDowell. Second by Mr. Ward. Motion passed.

Yeas: Darla Ringo, J Thomas, Jeff Lower, Jeff Mapes, Ken McDowell, Lisa Yates, Randy Coffman, Rex Koller and Scott Ward. Nos: None.

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